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**Washington, D.C. 20202-5335**



**APPLICATION FOR GRANTS**  
**UNDER THE**

**Preschool Pay For Success Feasibility Pilot Grant**

**CFDA # 84.419C**

**PR/Award # S419C170013**

**Grants.gov Tracking#: GRANT12263526**

OMB No. 1810-0728, Expiration Date: 08/31/2019

Closing Date: Oct 06, 2016

**U.S. DEPARTMENT OF EDUCATION  
BUDGET INFORMATION  
NON-CONSTRUCTION PROGRAMS**

OMB Number: 1894-0008  
Expiration Date: 06/30/2017

Name of Institution/Organization

Clatsop County

Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.

**SECTION A - BUDGET SUMMARY  
U.S. DEPARTMENT OF EDUCATION FUNDS**

Budget Categories	Project Year 1 (a)	Project Year 2 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel						
2. Fringe Benefits						
3. Travel						
4. Equipment						
5. Supplies						
6. Contractual						
7. Construction						
8. Other						
9. Total Direct Costs (lines 1-8)						
10. Indirect Costs*						
11. Training Stipends						
12. Total Costs (lines 9-11)						

**\*Indirect Cost Information (To Be Completed by Your Business Office):**

If you are requesting reimbursement for indirect costs on line 10, please answer the following questions:

(1) Do you have an Indirect Cost Rate Agreement approved by the Federal government? ☐ Yes ☐ No

(2) If yes, please provide the following information:

Period Covered by the Indirect Cost Rate Agreement: From:  To:  (mm/dd/yyyy)

Approving Federal agency: ☐ ED ☐ Other (please specify):

The Indirect Cost Rate is  %.

(3) If this is your first Federal grant, and you do not have an approved indirect cost rate agreement, are not a State, Local government or Indian Tribe, and are not funded under a training rate program or a restricted rate program, do you want to use the de minimis rate of 10% of MTDC? ☐ Yes ☐ No If yes, you must comply with the requirements of 2 CFR § 200.414(f).

(4) If you do not have an approved indirect cost rate agreement, do you want to use the temporary rate of 10% of budgeted salaries and wages?

☐ Yes ☐ No If yes, you must submit a proposed indirect cost rate agreement within 90 days after the date your grant is awarded, as required by 34 CFR § 75.560.

(5) For Restricted Rate Programs (check one) -- Are you using a restricted indirect cost rate that:

☐ Is included in your approved Indirect Cost Rate Agreement? Or, ☐ Complies with 34 CFR 76.564(c)(2)? The Restricted Indirect Cost Rate is  %.

PR/Award # S419C170013

Name of Institution/Organization

Clatsop County

Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.

### SECTION B - BUDGET SUMMARY NON-FEDERAL FUNDS

Budget Categories	Project Year 1 (a)	Project Year 2 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel						
2. Fringe Benefits						
3. Travel						
4. Equipment						
5. Supplies						
6. Contractual						
7. Construction						
8. Other						
9. Total Direct Costs (lines 1-8)						
10. Indirect Costs						
11. Training Stipends						
12. Total Costs (lines 9-11)						

### SECTION C - BUDGET NARRATIVE (see instructions)

ED 524

**Part 3: Project Abstract**

**Project objective and activities** – Clatsop and Tillamook counties aim to expand access to, and improve the quality of, preschool programming in our school districts through the Northwest Oregon Kinder Ready program. With a Pay for Success (PFS) feasibility study grant from the U.S. Department of Education we will explore whether a PFS project can achieve these goals. Clatsop and Tillamook are both rural counties with poor access to high-quality preschool. Only one out of 54 licensed preschool and childcare providers has been rated a 3 or above on Oregon's Quality Rating and Improvement System (QRIS). Therefore, through the feasibility study, we will focus on assessing the expansion of a new, evidence-based program targeting children who are not currently enrolled in preschool, specifically children that qualify for free and reduced lunch, children who fall just above this income threshold (up to ~300% FPL), and children who are English Learners. The feasibility study will explore the potential for a PFS project to improve the following outcomes: social emotional skill development, vocabulary development, school attendance, special education (SPED) utilization, high school graduation, student behavior discipline referrals, and involvement with law enforcement.

We propose a PFS feasibility study to be completed over 12 months that would be conducted by a competitively procured, experienced PFS intermediary. The intermediary would work closely with a dedicated county staff member to undertake the following activities: (i) conduct a landscape assessment and literature review to synthesize national evidence on successful preschool interventions, (ii) develop target population criteria to effectively identify and include the children most in need of preschool services, (iii) assess the capacity of local service providers and school districts to deliver the intervention, reaching out to stakeholders, and defining the service delivery budget and assessing costs, (iv) analyze local administrative and programmatic data to refine our understanding of the unmet demand, baseline outcomes and expected impact, (v) select appropriate outcome metrics and conduct a cost-benefit analysis of the proposed program, and (vi) assess the potential for payor and private funder engagement. The counties are eager to move forward with a PFS transaction if PFS is determined to be a viable option for improving preschool access and outcomes.

**Applicable priorities** – Clatsop and Tillamook counties are committed to improving our children’s future through ensuring the accessibility of high-quality, evidence-based preschool programming. This proposal meets the Absolute Priority by proposing a PFS feasibility study to explore whether PFS is an appropriate option for improving preschool access and achieving positive outcomes in Clatsop and Tillamook counties. Our proposal also addresses the Competitive Preference Priority by including social emotional outcome measures, such as self-control, openness, engagement with others, the ability to plan, and resilience, as well as improved vocabulary development, school attendance and longer-time life outcomes.

**Proposed project outcomes** – The project will help both counties understand whether PFS is an effective model to improve our children’s outcomes by expanding access to high-quality preschool. In addition, the project will include an assessment of the design and expansion of an evidence-based preschool program in Clatsop and Tillamook counties as well as a detailed analysis of the project costs and benefits, an understanding of project evaluation options, and an assessment of payor readiness for PFS. The study will provide a unique opportunity for the education departments of Clatsop and Tillamook counties, as well as committed community partners, to engage with an experienced PFS intermediary and access resources such as PFS guidance and investment capital if PFS is deemed a viable option. Lastly, it will also contribute valuable learnings to the early childhood education and PFS fields more broadly to understand the potential for applying this model to a rural setting.



## Clatsop County Project Narrative Attachment Form

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## Absolute Priority: Feasibility Study

### (a) Need for the Preschool PFS Feasibility Study Pilot

In Clatsop and Tillamook counties, our goal is to provide high-quality preschool so that our children are well prepared for kindergarten, become proficient readers by 3<sup>rd</sup> grade and graduate from high school ready for the workforce or further education. We believe Pay for Success (PFS) is a promising approach to support our efforts to expand high-quality preschool, with a focus on evidence-based programs and curricula.

Clatsop County and its partners propose to conduct a PFS preschool feasibility study to explore ways to improve access to high-quality preschool in Northwest Oregon through the establishment of the Northwest Oregon Kinder Ready Preschool Collaborative. The preschool program will aim to expand access to, and improve the quality of, preschool programming for children that qualify for free and reduced lunch, children who fall just above this income threshold (up to ~300% FPL), and children who are English Learners. Based on national research, we believe that expanded access to high-quality preschool will facilitate the development of important social-emotional skills for our children which have been linked to positive outcomes including increased school and career achievement, and result in reduced county costs for remedial education, health and criminal justice expenditures.<sup>1,2</sup>

### 1. Clatsop and Tillamook county context

Clatsop and Tillamook counties are rural counties located in the Northwest corner of the state of Oregon, 75 miles from Portland. Clatsop County's economy is based largely on fishing and timber and Tillamook's economy centers on the dairy and lumber industries. Both counties also rely heavily on tourism, driven by summertime visitors to the large beach areas on the Pacific Ocean.

As small, rural counties, Clatsop and Tillamook have similar demographics and face a range of social and economic challenges that impact the education and health systems in the region.

- **Demographics and low incomes:** While Clatsop County is predominantly White, the Hispanic population grew 81% from 2000-2012,<sup>3</sup> and now comprises 8.4% of the County population.<sup>4</sup> The Hispanic population is more concentrated among children: in 2014, the percentage of children ages 0 to 19 was 16.3% in Clatsop County and 23.5% in Tillamook County.<sup>5</sup> The average median household income in each county is \$45,000<sup>6</sup> and in 2015-16, 55% of school-aged children in

<sup>1</sup> Heckman, James J. (December 7, 2012). *Invest in Early Childhood Development: Reduce Deficits, Strengthen the Economy*, National Institute for Early Childhood Education Research.

<sup>2</sup> Crawford, Susan P. and Lader, Mary-Catherine and Smith, Maria. (May 2015). *On the Road to 'Pre-K for All': The Launch of UPK in New York City*, Berkman Center Research Publication No. 2015-9. Retrieved from: <http://ssrn.com/abstract=2610694> or <http://dx.doi.org/10.2139/ssrn.2610694>.

<sup>3</sup> Columbia Pacific CCO. "Clatsop County Community Health Assessment – 2014." Retrieved from: <https://goo.gl/WIHHrb>.

<sup>4</sup> United States Census Bureau. "Quick Facts Clatsop County, Oregon". Retrieved from: <http://www.census.gov/quickfacts/table/INC110214/41007>.

<sup>5</sup> Kids Count Data Center. "Child Population by Race." Clatsop and Tillamook Counties, 2014. Retrieved from: <https://goo.gl/RsrYc5>.

<sup>6</sup> United States Census Bureau. "Quick Facts Clatsop County, Oregon". Retrieved from: <http://www.census.gov/quickfacts/table/INC110214/41007>; United States Census Bureau. "Quick Facts Tillamook County, Oregon". Retrieved from: <http://www.census.gov/quickfacts/table/PST045215/41057>.

Clatsop County and 58% of school-aged children in Tillamook County qualified for the Free or Reduced Lunch Program by living at or below the poverty line.<sup>7</sup>

- **Health disparities:** Clatsop and Tillamook Counties struggle with limited access to health care and high rates of uninsured adults (19% in Clatsop County and 22% in Tillamook).<sup>8</sup> As a result, health disparity issues include: geographic separation; high patient ratio per number of providers to Oregon Health Plan members; and high uninsured population rates.
- **Food insecurity:** Rates of food insecurity in Clatsop and Tillamook counties are among highest in Oregon; food insecurity is estimated to be 15% and 14% in Clatsop and Tillamook counties,<sup>9</sup> respectively.
- **School performance:** In three of Clatsop County's five school districts, nearly 35% of children do not graduate high school. Even more concerning, this rate is even higher for low-income students, students with disabilities, and English Learners, as shown in Table 1.<sup>10</sup>

Table 1 Graduation rates in Clatsop County

	Astoria	Warrenton-Hammond	Knappa	Seaside	Jewell
<b>Four-year graduation rate</b>	66%	67%	66%	76%	100%
<b>Economically disadvantaged</b>	53%	56%	43%	76%	100%
<b>English Learners</b>	50%	N/A	N/A	67%	N/A
<b>Students with disabilities</b>	45%	42%	80%	33%	100%

## 2. Extent of need for high-quality preschool expansion

There is significant need for increased access to high-quality preschool in both Clatsop and Tillamook counties. Both counties struggle with unmet demand for affordable, high-quality preschool options.

**Unmet demand.** In Clatsop and Tillamook counties, at least 400 three and four year olds—close to 30% of the population—each year do not have access to preschool.<sup>11</sup> There are approximately 1,350 three and four year olds across both counties, and while the 180 Head Start and State-funded preschool slots and over 800 licensed slots in child care and family care centers should cover many of these children, preschool age children compete for slots with infants and toddlers given shortages in infant and toddler child care in the counties. We believe the true need for new slots is closer to 300 slots per year, based on the difference in the number of children beginning kindergarten and the number of children enrolled in preschool. We believe that because only one of the 54 preschools is rated in the state's QRIS system that improving the quality of another 300 slots is feasible.

<sup>7</sup> Oregon Department of Education. "Students Eligible for Free and Reduced Lunch." 2015-2016 School Year, Clatsop and Tillamook Counties. Retrieved from: <http://www.ode.state.or.us/sfda/reports/r0061Select.asp>.

<sup>8</sup> County Health Ranking and Roadmaps. (2015). "Oregon: Clatsop." Retrieved from: <http://www.countyhealthrankings.org/app/oregon/2015/rankings/clatsop/county/factors/overall/snapshot>; County Health Ranking and Roadmaps. (2015). "Oregon: Tillamook." Retrieved from: <http://www.countyhealthrankings.org/app/oregon/2015/rankings/tillamook/county/factors/overall/snapshot>.

<sup>9</sup> County Health Rankings & Roadmaps. "Oregon: Food environment index." Retrieved from: <http://www.countyhealthrankings.org/app/oregon/2016/measure/factors/133/data?sort=sc-6>.

<sup>10</sup> The Daily Astorian. (October 20, 2015) "Schools show mixed result on report cards." Retrieved from [http://www.dailyastorian.com/Local\\_News/20151020/schools-show-mixed-results-on-report-cards](http://www.dailyastorian.com/Local_News/20151020/schools-show-mixed-results-on-report-cards).

<sup>11</sup> Information provided by Tara Mestrich, Child Care Resource and Referral Coordinator serving Clatsop and Tillamook. Available at 503-325-1220 or [Tara.Mestrich@oregonstate.edu](mailto:Tara.Mestrich@oregonstate.edu).



**High-need population.** Within Clatsop and Tillamook counties, approximately 60% of children come from families with incomes below the poverty line. Additionally, Clatsop and Tillamook school districts have an average 13% English Language Learners and 18% students with disabilities.<sup>12</sup> Children in these families would likely benefit the most from attending high-quality preschool.

**Barriers to access.** Challenges associated with affordability and transportation are barriers for families' access to preschool. Due to budget cuts in 2014, preschool programs no longer provide transportation for children, making it challenging for the children most in need to attend preschool. Additional pressure is put on the limited number of federal and state-funded preschool slots by unaffordable child care options, with child care costs approaching the cost of college tuition at state universities.<sup>13</sup>

**Need for improved quality.** Of the preschools and child care centers that operate within the counties, only one out of 54 licensed providers has been rated a 3 or above on Oregon's newly instituted Quality Rating and Improvement System (QRIS).<sup>14</sup> While 27 of 54 licensed providers have achieved a Commitment to Quality (CTQ) rating by submitting their information and committing to quality improvements, over half the preschools including unlicensed providers have not been evaluated for quality standards, and the vast majority would not meet the threshold of high-quality as defined by the Department of Education. Finally, while Oregon offers "Preschool Promise," funding for children to attend high-quality preschools, only 40 children are funded through this program in Clatsop and Tillamook counties.

### 3. Target population

The target population to be served by the proposed Northwest Oregon Kinder Ready program consists of three and four year olds who do not have access to preschool, as well as children currently enrolled in preschool programs that are not high-quality. Sites targeted for quality improvements would preference classrooms that serve low-income students and English Learners. Enrollment for new slots in Northwest Oregon Kinder Ready would target low-income families, including families who fall just above the cutoff for Free and Reduced Lunch, as well as English Learners.

Evidence has shown that children who do not attend preschool are more likely to read below grade level in third grade and less likely to graduate from high school on time. James Heckman's research at the University of Chicago indicates that those who struggle in school have greater social-emotional issues, have increased chances of being involved with law enforcement and have 25% lower earning power as adults. In Clatsop and Tillamook counties, 30% of students were reading below grade level in third grade in 2013-14, according to Oregon Assessment of Knowledge and Skills.<sup>15</sup>

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<sup>12</sup> Oregon Department of Education. (2014-2015). "School and District Report Cards." Reports from: Astoria SD 1, Warrenton-Hammond SD 30, Knappa SD 4, Seaside SD 10, Jewell SD 8, Nestucca Valley SD 101J, Tillamook SD 9, Neah-Kah-Nie SD 56. Retrieved from: <http://www.ode.state.or.us/data/reportcard/reports.aspx>.

<sup>13</sup> Oregon State University. (2014). "Child Care and Education in Clatsop County." Retrieved from <http://health.oregonstate.edu/sites/default/files/occrp/2014-state-and-county-profiles/pdf/Clatsop-County-Child-Care-Profile-2014.pdf>; Oregon State University. (2014). "Child Care and Education in Tillamook County." Retrieved from <http://health.oregonstate.edu/sites/default/files/occrp/2014-state-and-county-profiles/pdf/Tillamook-County-Child-Care-Profile-2014.pdf>.

<sup>14</sup> Information provided by Tara Mestrich, Child Care Resource and Referral Coordinator serving Clatsop and Tillamook. Available at 503-325-1220 or [Tara.Mestrich@oregonstate.edu](mailto:Tara.Mestrich@oregonstate.edu).

<sup>15</sup> Kids Count Data Center. "3<sup>rd</sup> Grade Reading Proficiency." Clatsop and Tillamook Counties, 2013-14. Retrieved from: <https://goo.gl/TJYZG9>.

## (b) Quality of the Preschool Program Design

Clatsop and Tillamook County propose to use the PFS preschool feasibility study to explore the use of PFS financing to create high-quality preschool classrooms, both by expanding slots and by improving the quality of existing slots. We propose the creation of the Northwest Oregon Kinder Ready program, informed by research and evidence on effective preschool elements. The program will build on the existing preschool system and explore delivery in public school districts. The program would have the following characteristics, which we believe would address the needs of preschool-aged children in Clatsop and Tillamook County and be a promising fit for expansion using PFS.

### 1. Ensuring a High-Quality Preschool Program Design

#### *An evidence-based curriculum*

Currently, the preschools in Clatsop and Tillamook County use a range of curricula, from widely recognized and research-based options like Creative Curriculum to self-developed programs. A central requirement of the Northwest Oregon Kinder Ready Collaborative will be the use of effective, evidence-based curricula.

We will propose an improved curriculum based on nine features found to be effective in research: (i) comprehensive domains of learning, (ii) specific learning goals, (iii) well designed learning activities, (iv) intentional teaching, (v) culturally and linguistically responsive, (vi) individualized instruction, (vii) ongoing assessment, (viii) family involvement and (ix) appropriate for program staff, children and families.<sup>16</sup> Additionally, the program will be guided by Oregon's "Early Learning and Kindergarten Guidelines" which are due to be released in January 2017.

Providers would choose from selected curricula options covering general preschool, social-emotional learning, and/or literacy and mathematics. During the feasibility study, we would assess the likelihood of different curricula to improve student outcomes and engage local service providers to evaluate interest and capacity to adopt these curricula. Our initial research, based on a National Center on Quality Teaching and Learning review, indicates the following as leading options for further exploration in each domain:

Table 2 Curricula options across domains

General preschool <sup>17</sup>	Social-emotional learning <sup>18</sup>	Literacy <sup>19</sup>	Mathematics <sup>20</sup>
Creative Curriculum	Al's Pals: Kids Making Healthy Choices	Doors to Discovery	Big Math for Little Kids
Frog Street Pre-k	Incredible Years Dinosaur Curriculum	Literacy Express	Big Blocks Pre-K
High/Scope	PATHs Preschool/Kindergarten Classroom Module	PAVED for Success	

<sup>16</sup> The National Center on Quality Teaching and Learning. (June 2012). "Choosing a Preschool Curriculum." Retrieved from: <http://eclkc.ohs.acf.hhs.gov/hslc/tta-system/teaching/docs/preschool-curriculum.pdf>.

<sup>17</sup> The National Center on Quality Teaching and Learning. (Summer 2015). "Preschool Curriculum Consumer Report."

<sup>18</sup> The National Center on Quality Teaching and Learning. (Spring 2015). "Social Emotional Preschool Curriculum Consumer Report."

<sup>19</sup> The National Center on Quality Teaching and Learning. (Summer 2015). "Language and Literacy Preschool Curriculum Consumer Report."

<sup>20</sup> The National Center on Quality Teaching and Learning. (Spring 2015). "Mathematics Preschool Curriculum Consumer Report."

We expect the feasibility study to assess the evidence of proposed curricula's impact on student outcomes. For example, our assessment of the High/Scope curriculum indicates potential impact on reductions in special education utilization, reduced interactions with law enforcement, and avoided grade retention. We would use the feasibility study to perform a more detailed assessment of this and other curricula and their expected effects in Clatsop and Tillamook Counties.

#### Evidence for High/Scope curriculum

The High/Scope curriculum has a strong evidence base with evaluations spanning the last 40 years. The High/Scope curriculum grew out of the High/Scope Perry Preschool Study, one of the seminal studies demonstrating the positive long-term impact of early childhood education. This longitudinal study identified 123 low-income African American children in Ypsilanti, Michigan at risk of school failure and randomly assigned half of the students to a treatment group receiving the High/Scope curriculum and half of the students to a control group receiving no prekindergarten. The study tracked the students from the time they attended prekindergarten in 1962 - 1967 through age 40, with a low attrition rate of six percent. The study found the following outcomes from the High/Scope curriculum<sup>21</sup>:

- **Academic achievement:** Throughout school, the treatment group out-performed the control group on language tests from prekindergarten through age seven and on school achievement tests through age 14. A greater percentage of the treatment group completed high school (77% versus 60% in the control group), likely directly related to the lower rates of grade repetition (21% versus 41% for the control group).
- **Economic sustainability:** At age 27, the treatment group was significantly more likely to be employed (69% versus 56% in the control group) and this impact continued through age 40. The treatment group had significantly higher median annual earnings than the control group at age 40 (\$20,800 versus \$15,300). This is also reflected in a reduced reliance on social services by age 27.
- **Criminal justice:** Through age 40, the treatment group had significantly fewer arrests (36% arrested five or more times versus 55% in the control group), especially in terms of violent crimes and felonies. The treatment group spent less time in prison by age 40 (9% versus 21% ever served).

The High/Scope curriculum has also been evaluated in a number of recent evaluations. The Abbott Preschool Program Longitudinal Effects Study (APPLES) measured the impact of high-quality prekindergarten on children in New Jersey Abbott school districts.<sup>22</sup> New Jersey's Department of Education recommends four curricula for Abbott school districts—High/Scope, Creative Curriculum, Curiosity Corner and Tools of the Mind—but High/Scope and Creative Curriculum are the most popularly used.<sup>23</sup> APPLES found that one year of high-quality prekindergarten improved kindergarten readiness, as measured by language and math tests, and improved academic achievement on state-wide

<sup>21</sup> Schweinhart, L. J., Montie, J., Xiang, Z., Barnett, W. S., Belfield, C. R., & Nores, M. (2005). *Lifetime effects: The HighScope Perry Preschool study through age 40*. Monographs of the HighScope Educational Research Foundation, 14. Ypsilanti, MI: HighScope Press.

<sup>22</sup> The state-funded prekindergarten program was developed in response to the landmark New Jersey Supreme Court school-funding case, *Abbott v. Burke*, which mandated that the State fund Abbott school districts at levels equal to the wealthiest districts in the State. Abbott school districts were defined by high rates of poverty and poor academic achievement.

<sup>23</sup> Barnett, W. Steven, Kwanghee Jung, Min-Jong Youn, Ellen Frede. (March 2013). *Abbott Preschool Program Longitudinal Effects Study: Fifth Grade Follow-Up*. National Institute for Early Education Research Rutgers—The State University of New Jersey. Retrieved from <http://nieer.org/sites/nieer/files/APPLES%205th%20Grade.pdf>.

tests through fifth grade. In addition, prekindergarten was found to reduce rates of grade retention and special education placement.<sup>24</sup>

In addition, High/Scope is one of the most popular curricula used in Head Start classrooms and it has been evaluated as part of recent Head Start studies. Head Start's Family and Child Experiences Survey (FACES) covers a national random sample of Head Start programs, including 2,800 students in 43 Head Start programs. The study compared outcomes for children receiving High/Scope with two other groups—those receiving Creative Curriculum and those receiving other curricula—and found the greatest improvement for those receiving High/Scope. Improved outcomes were shown in letter recognition and social/emotional behavior as measured by oral communication and classroom behavior.<sup>25</sup>

#### *Professional Development for Teachers and Staff*

Currently in Clatsop and Tillamook counties, Child Care Resource and Referral assists early childhood providers with professional development opportunities needed to maintain their licenses and improve their skills. There are varied opportunities for professional development including traditional classes facilitated by out-of-town trainers, Clatsop Community College (CCC) classes, and additional workshops in the region. However, it is challenging to provide the variety of classes at the levels needed with much frequency, and in a location that is easily reachable by our teachers.

A component of the Northwest Oregon Kinder Ready Collaborative will be the implementation of the following professional development initiatives in order to ensure adequate professional development opportunities:

- Continue discussions with the new president of CCC about expanding professional development opportunities for early childhood providers. This could build off the college's existing relationship with Eastern Oregon University which awards bachelor's degrees in some areas to students of Northwest Oregon. In the past, other universities have worked with CCC in offering degree bearing programs, so we will explore renewing or initiating additional partnerships with Western Oregon University (which has a nationally recognized education college), Portland State University, Pacific University and others.
- Expand discussions with local school districts about offering professional development opportunities at times and in locations that will allow early childhood providers to participate. Combining early childhood and primary grade teacher training would help with alignment and transitioning children (and parents) from preschool to kindergarten.
- Explore a deeper partnership with early childhood professionals in the nearby southwest corner of Washington State.
- Continue aligning professional development activities with NW Parenting, Clatsop Kinder Ready, NW Early Learning Hub as well as Child Care Resource and Referral so needs of parents, children and professionals are addressed.

#### *High Qualifications for Teachers*

The Northwest Oregon Kinder Ready Collaborative will require highly qualified staff. Currently, preschool teacher qualifications and experience vary greatly across the counties' preschool classrooms. This is exacerbated by the low compensation for preschool teachers compared to kindergarten teachers in Oregon (up to \$23,170/year with limited benefits compared to \$50,000/year plus medical and retirement benefits). The Northwest Oregon Kinder Ready Collaborative will recruit highly qualified staff and

<sup>24</sup> Barnett, W. Steven, Kwanghee Jung, Min-Jong Youn, Ellen Frede. (March 2013). *Abbott Preschool Program Longitudinal Effects Study: Fifth Grade Follow-Up*. National Institute for Early Education Research Rutgers—The State University of New Jersey. Retrieved from <http://nieer.org/sites/nieer/files/APPLES%205th%20Grade.pdf>.

<sup>25</sup> Administration for Children and Families U.S. Department of Health and Human Services, 2003.

improve quality of existing staff through professional development opportunities, as described above. The program will retain high-quality teachers by providing compensation that is comparable to kindergarten teachers. All lead teachers in preschool classrooms will either possess or be actively working towards the equivalent of a teacher certificate.

*A child-to-instructional staff ratio of no more than 10 to 1*

According to state regulations, the maximum child-to-instructional staff ratio in Oregon preschools is currently 10:1 with a maximum of 20 children per class. However, with many preschools serving as childcare centers for infants and toddlers as well as after school care centers, the ratios can vary significantly. The Northwest Oregon Kinder Ready Collaborative would be consistent with these regulations, maintaining a maximum child-to-instructional staff ratio of 10:1, with no more than 20 children per class. We will ensure this ratio is maintained by increasing staff numbers, expanding the size or number of classes and maintaining contact with families when on a waiting list.

Ensuring this ratio will be an important indicator of the program's ability to improve student outcomes. There is significant evidence that lower student/teacher ratios result in greater academic achievement. The most rigorous study is the Tennessee Student Teacher Achievement Ratio study. The study randomly assigned students entering kindergarten in 1985 to classrooms with an average of 15 students or to classrooms with an average of 22 students. This difference in classroom size impacted academic achievement four years later: students in the smaller classrooms outperformed the control group (by 0.22 standard deviation), equivalent to three more months of schooling. The effect was largest for students who were low-income, African American and male.<sup>26</sup> A 2010 meta-analysis of effects of preschool education found that lower student/teacher ratios are associated with improved cognitive functioning. In addition, a 1998 study conducted by the National Institute of Child and Human Development found that lower ratios in preschool are associated with improved child development.<sup>27</sup>

*Inclusion of Children with Disabilities*

We will incorporate safeguards for protecting students in special education and those suspected of having a disability, including reaching out to our local parent groups, F.A.C.T. (Family And Community Together) and the Inclusive Child Care Program. We will work closely with NW Regional Education Service District (NWRES D) which evaluates and serves children three to five years of age suspected of and needing special education services. NWRES D is a supportive partner of this application, and Clatsop County and its partners will work with NWRES D during the feasibility study to ensure children with disabilities are included in the program. NWRES D provides Early Intervention/Early Childhood Special Education (EI/ECSE) services to all the school districts of the Clatsop and Tillamook counties. The specialists that work in the EI/ECSE program will be available to in-service staff as well as evaluate children, serve them when eligible, and support parents as needed.

NWRES D follows state regulations with regards to evaluating young children and involves parents heavily in determining whether a child is eligible for special education services.<sup>28</sup> The educational

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<sup>26</sup> Whitehurst, Grover and Matthew Chingos. (May 2011). *Class Size: What Research Says and What it Means for State Policy*. Brown Center on Education Policy at the Brookings Institution. Retrieved from [http://www.brookings.edu/~media/research/files/papers/2011/5/11-class-size-whitehurst-chingos/0511\\_class\\_size\\_whitehurst\\_chingos.pdf](http://www.brookings.edu/~media/research/files/papers/2011/5/11-class-size-whitehurst-chingos/0511_class_size_whitehurst_chingos.pdf)

<sup>27</sup> Bagnato, Stephen, Jennifer Salaway and Hoi Suen. (2009). *Pre-K Counts in Pennsylvania for Youngsters' Early School Success: Authentic Outcomes for an Innovation Prevention and Promotion Initiative*. Early Childhood Partnerships, SPECS Evaluation Team, University of Pittsburgh.

<sup>28</sup> Through NWRES D children are normally referred for evaluation by medical practitioners, educators or parents. Once referred, parents must give permission before an evaluation occurs. Evaluations occur within 45 days of permission and results are discussed with parents. Parents have the right to accept or refuse the eligibility and services.

placement of children found eligible for special education services is always in the least restrictive environment so that children have maximum access to opportunities comparable to their peers. During staff orientation each year the process for referring children for special education evaluation will be reviewed. Oregon's parent and student "Rights and Responsibilities" as related to special education will be reviewed and followed.

*Inclusion of at-risk children and children representing other high-needs populations, such as homeless children and English Learners*

The Northwest Oregon Kinder Ready Collaborative will effectively serve high-need populations. Classrooms will have bilingual staff to communicate with English Learners and their families. In order to address transportation concerns for our rural counties, we expect to provide transportation to children and assist families in participating in preschool-related events. Finally, we will engage in outreach to low-income and homeless families in coordination with the Department of Human Services, NW Housing Authority, local food banks, medical providers and local emergency shelters.

*Other considerations*

Supporting Working Families with Full-Day Preschool

We would use the feasibility study to assess the viability of delivering a full-day preschool program to both three and four year olds. This is an important feature to ensure improved outcomes for the students as well as to making the program accessible to working parents.

Children receiving full-day, full-year prekindergarten programs achieve stronger outcomes than those in half-day programs. The National Institute for Early Education conducted a study of children randomly assigned to full-day versus half-day Abbott preschool programs. The study found that children with full-day prekindergarten saw greater improvements in vocabulary and math skills than children with half-day prekindergarten (improvements of 11 to 12 standard points on vocabulary and math tests versus 6 to 7 standard score points). This effect was seen through first grade.<sup>29</sup> A 2014 study of Child-Parent Centers comparing children receiving full-day versus half-day prekindergarten found that full-day students had higher scores on socioemotional development, language, math and physical health.<sup>30</sup> The study also found that full-day students had higher rates of attendance (85.9% versus 80.4% of days attended) and lower rates of chronic absences.<sup>31</sup> The FACES study found that children in full-day Head Start classes made larger gains during prekindergarten on letter recognition skills and early writing skills than students in half-day Head Start programs.<sup>32</sup>

In addition, evidence demonstrates that two years of prekindergarten results in improved academic outcomes for children, in comparison to one year of prekindergarten. APPLES found greater improvements in kindergarten in language and math for children who had two years of prekindergarten starting at age three. These improvements last through second grade academic tests, but were not found to

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<sup>29</sup> Robin, Kenneth, Ellen Frede and W. Steven Barnett. (2006). *Is More Better? The Effects of Full-Day vs Half-Day Preschool on Early School Achievement*. Working Paper, National Institute for Early Education Research.

<sup>30</sup> Reynolds AJ, Richardson BA, Hayakawa M, et al. (2014). *Association of a Full-Day vs Part-Day Preschool Intervention With School Readiness, Attendance, and Parent Involvement*. Journal of American Medical Association. 2014;312(20):2126-2134.

<sup>31</sup> Reynolds AJ, Richardson BA, Hayakawa M, et al. (2014). *Association of a Full-Day vs Part-Day Preschool Intervention With School Readiness, Attendance, and Parent Involvement*. Journal of American Medical Association. 2014;312(20):2126-2134.

<sup>32</sup> Administration for Children and Families U.S. Department of Health and Human Services, 2003.

have significant impact on grade retention and special education placement.<sup>33</sup> In addition, the 2014 study of Child-Parent Centers found that students who received two years of prekindergarten had improved kindergarten test readiness scores in comparison to students who only received one year of prekindergarten.<sup>34</sup>

#### Parental and caregiver involvement

Our preschool program will emphasize the involvement of parents, caregivers and those who impact the lives of young children as active partners in the full development of our community's youngest members.

#### Cultural responsiveness

The preschool experience will be culturally responsive to reflect the community it serves and prepare those involved for success beyond the community.

## **2. Goals, Objectives, and Outcomes to be Achieved**

Based on research of the impact of high-quality preschool, the feasibility study would assess the following priority outcomes: increased development of social emotional skills, increased vocabulary development, improved school attendance, reduced number of children requiring special education services (K-12), increased percentage of students demonstrating third grade reading fluency, increased percentage of high school graduation, decreased student behavior discipline referrals and decreased involvement with law enforcement. Table 3 outlines the assessments that could be used to measure progress on these outcomes, and identifies the current interval of those assessments. The County would work with its partners to identify specific measurement intervals for each outcome as it would relate to a PFS project during the feasibility study.

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<sup>33</sup> Barnett, W. Steven, Kwanghee Jung, Min-Jong Youn, Ellen Frede. (March 2013). *Abbott Preschool Program Longitudinal Effects Study: Fifth Grade Follow-Up*. National Institute for Early Education Research Rutgers—The State University of New Jersey. Retrieved from <http://nieer.org/sites/nieer/files/APPLES%205th%20Grade.pdf>.

<sup>34</sup> Reynolds AJ, Richardson BA, Hayakawa M, et al. (2014). *Association of a Full-Day vs Part-Day Preschool Intervention With School Readiness, Attendance, and Parent Involvement*. *Journal of American Medical Association*. 2014;312(20):2126-2134.



Table 3 Proposed outcomes

Outcome	Measure	Grade Level
Improved social emotional skills	Oregon Kindergarten Assessment <sup>35</sup>	Kindergarten
Vocabulary development	AIMS Web (progress monitoring) <sup>36</sup> DIBLES (progress monitoring) <sup>37</sup> Star Early Literacy and Star Reading (progress monitoring) <sup>38</sup>	One of these formative assessment tools is used in each district K-6, K-8, PreK-3 or K-12 depending upon the program
Improved school attendance	School attendance records	K-12
On-grade level reading (by third grade)	AIMS Web (progress monitoring)  DIBLES (progress monitoring)  Star Early Literacy and Star Reading (progress monitoring)  Smarter Balanced Assessment <sup>39</sup>	K-1-2-3-4-5  K-1-2-3-4-5  K--1-2-3-4-5  3rd Grade
Increased high school graduation	School and district records  Oregon Department of Education records	9-12 and completion within 5 years of starting high school  9-12 and completion within 5 years of starting high school
Decreased student behavior discipline referrals	School and district behavior records	K-12
Decreased involvement with law enforcement	City and county law enforcement and juvenile probation office records	Ages 5 through 21
Reduction in special education utilization	AIMS Web (progress monitoring) DIBLES (progress monitoring) Star Early Literacy and Star Reading	One of these formative assessment tools is used in each district K-6, K-8, PreK-3 or K-12 depending upon the program

Our program will include rigorous quality and outcome monitoring. We plan to build on the momentum generated at the state-level, with Oregon's initial launch of a Quality Rating and Improvement System (QRIS).

### 3. How the Program Will Address the Needs of the Target Population

The Northwest Oregon Kinder Ready Collaborative will be tailored to meet the needs of the populations we are seeking to serve. As rural counties with high levels of poverty and limited public transportation, transportation is a barrier to school attendance. For example, when transportation to Head Start centers was eliminated in 2014, class sizes decreased significantly. As previously discussed, we will explore ways to address this barrier by providing transportation to school to support families without the means to transport their children.

<sup>35</sup> Oregon Kindergarten Assessment is a state wide assessment administered in the first few days of kindergarten that assesses school social skills, letter names, letter sounds and number recognition and some operations.

<sup>36</sup> AIMS Web is a curriculum based measurement for reading and math used for progress monitoring (K-8).

<sup>37</sup> DIBLES is a curriculum based measurement for reading used for progress monitoring (K-6).

<sup>38</sup> Star Early Literacy is a curriculum based measurement used for progress monitoring of reading skills (PreK-3); Star Reading is a curriculum based measurement used for progress monitoring for independent readers (K-12).

<sup>39</sup> Smarter Balanced Assessment is the assessment used in Oregon for measuring student progress in reaching the Common Core Standards of reading, writing and mathematics in grades 3-11.



Additionally, as mentioned above, our preschool program will be full-day in order to support working families. We will also strongly consider after-school childcare to further support family needs. Finally, the program will actively seek to involve families whose first language is not English by working with the employers who commonly hire Spanish speaking workers, and the Lower Columbia Hispanic Council and English Language Learner programs at local colleges.

All families in the program will have support of a family liaison who will help engage parents in their child's development and education. We are committed to finding, evaluating and serving the children with special education needs. It is our belief that the sooner we find and serve children with special needs the greater the chance we have of minimizing the impact of their handicapping condition. This has a life-long impact on the individual and their family as well as their communities.

#### **4. Why PFS is a Promising Approach**

Pay for Success is a promising financing strategy for the expansion and improvement of preschool programming in Clatsop and Tillamook counties because of (i) the need for upfront funding to supplement existing federal and state preschool funding (ii) government commitment to championing the project and (iii) proven interventions with a strong record of demonstrating positive outcomes for participants that can be adopted in Clatsop and Tillamook counties.

By accessing PFS financing the Clatsop and Tillamook school districts would be able to design, implement, and evaluate a preschool program tailored to the needs of the children we serve, achieving the short- and long-term outcomes listed above to create economic and social benefits. In both counties there is a funding gap that precludes offering free preschool programming to all three and four year olds. As described in Section (a)1, there are limited preschool slots and approximately 30% of three and four year olds are not attending preschool. Oregon's public education system has experienced financial stress since the 1990s, which has also affected funding for preschool programs. This limited funding also inhibits the counties' abilities to ensure high-quality preschool programs. A PFS project would not only expand access to sustainable funding but also incorporate a strong program management, monitoring and evaluation function to ensure high-quality programming and improved outcomes.

Additionally, for PFS financing to be appropriate there must be a strong commitment from the involved governments to lead the project and to pay for positive outcomes. The school districts of both Clatsop and Tillamook counties are enthusiastic PFS advocates and are willing to dedicate significant time and effort to implement a PFS program in our schools.

Finally, PFS is appropriate when an intervention has a strong evidence base and is expected to have strong positive outcomes on participants. Providing preschool programming to children ages three and four, particularly using the program design and curriculum described above, is likely to improve a range of student outcomes given the limited availability of high-quality programs.

#### **(c) Preschool PFS Partnership**

Clatsop County has been exploring innovative financing options for preschool for the past year. Though a full Preschool PFS Partnership is not yet in place, the County and other organizations in the region have laid the groundwork to quickly build a successful partnership, rooted in the existing NW Oregon Preschool Collaborative.

#### **1. Existing partnerships and plan to form PFS Preschool Partnership**

Our plan to build a Preschool PFS Partnership begins with the selection of a PFS intermediary, which will engage partners to fill the roles required for a high-quality PFS Project. The County will select a

contractor with both feasibility and transaction structuring experience (including raising capital). The intermediary will be responsible for setting up a PFS partnership that could be directly engaged in the transaction if the feasibility study finds PFS is viable. We further describe the expected role of different PFS partners in Section (c)2.

Below, we list the organizations who have expressed support for the Northwest Oregon Kinder Ready Collaborative, and describe their role in a potential PFS partnership. We believe the existing support of the listed organizations, in conjunction with an experienced PFS intermediary, positions us to use the feasibility study process to build a robust Preschool PFS Partnership.

**Government entities that will serve as Outcomes Payors:** We are confident we could engage prospective payors in a preschool PFS feasibility study as evidenced by our letters of support from a range of potential government payors in addition to Clatsop County (the applicant). Potential government payors supporting this application include all eight school districts in Clatsop and Tillamook counties (Astoria SD, Seaside SD, Knappa SD, Warrenton-Hammond SD, Jewell SD, Nestucca Valley SD, Tillamook SD, Neah Kah Nie SD) and Tillamook County government. During the feasibility study, these entities will also provide data to inform the study.

Along with the NWRES D and with support from the Oregon Community Foundation, these entities have collaborated on P-3 Alignment, an initiative to create a consistent learning environment for children from preschool through third grade. NWRES D facilitates further collaboration between Clatsop and Tillamook counties through the NW Oregon Early Learning Hub, which seeks to operate an aligned and family centered early childhood system, support children in being ready for kindergarten and beyond, as well as support families in being healthy, stable and attached.

Finally, the Columbia Pacific Coordinated Care Organization is interested in serving as a potential payor, particularly if the feasibility study identifies any expected effects on health outcomes (in addition to the targeted educational outcome measures).

**Independent Evaluator:** We have a relationship with Western Oregon University and will also explore national independent evaluators, such as MDRC and J-PAL North America. In our selection process, we will seek evaluators that specialize in policy analysis and have experience as evaluators on existing PFS projects.

**Service providers:** As described in Section (b), we envision a mixed-delivery system that involves both public schools and other child care centers to deliver services as part of the Northwest Oregon Kinder Ready Collaborative. The eight Clatsop and Tillamook county school districts are all potential service providers. In addition, in coordination with Family Care Connection's Child Care Resource and Referral, we will engage other local child care centers and family care centers that currently provide preschool. Clatsop and Tillamook counties already work closely with Tara Mestrich of Child Care Resource and Referral, particularly on quality improvement initiatives and professional development for preschool teachers.

**Key community stakeholders:** Our letters of support demonstrate the willingness of key community organizations to support the project, both during feasibility and after a PFS project is launched. NWRES D, the NW Early Learning Hub, NW Parenting, and the Departments of Health in Clatsop and Tillamook counties will all provide data and resource support for the feasibility study, and engage as needed in a PFS project.

The project expects additional in-kind staff support from Way to Wellville, a national challenge among five communities over five years (including Clatsop County) to make significant, visible and lasting improvement in five measures of health and economic vitality.

**Intermediary:** As noted in Section (d), the County intends to partner with an experienced PFS intermediary to conduct the feasibility study. By seeking a partner with experience in both conducting PFS feasibility studies and structuring PFS transactions, including developing PFS agreements, structuring financial agreements, raising capital and supporting ongoing performance management, the County will be able to leverage the existing relationships of this contractor to establish a strong Preschool PFS Partnership. The County would expect that the contractor has previously completed at least 10 PFS feasibility studies, with experience in early childhood development and education and PFS-funded service provision in rural communities. The County also expects the contractor to facilitate connections to funders and evaluators.

**Funders:** While we expect the contracted intermediary to lead the capital raise for a PFS project, several local funders have already expressed interest. The Oregon Community Foundation, which funds the region's P-3 Alignment and the regional parenting education hub, indicated interest in supporting a PFS preschool project with grant funds. Craft3, a local, nonprofit Community Development Financial Institution, is also interested in supporting the project.

## 2. Roles and responsibilities of proposed project members

The County anticipates using the feasibility study to formally define roles and responsibilities for each member of the Preschool PFS Partnership once all partners are identified. The County expects the role of each partner to be as follows:

**Government entities that will serve as outcomes payers:** The feasibility study will assess the flow of costs and benefits between government entities to identify high potential outcome payors. The role of the County and any additional outcomes payors will include:

- Provide dedicated staff to facilitate County participation, coordinate data inputs for transaction structuring analysis, and ensure a PFS contract is negotiated and executed in a timely manner, while achieving the County's policy goals
- According to the stipulations laid out in the PFS agreement, pay for positive outcomes achieved during the life of the project

**Independent evaluator:** The County expects to procure an independent evaluator to assess PFS project outcomes during transaction structuring. The feasibility study report will include an initial assessment of what evaluation design (whether a randomized controlled trial or quasi-experimental design) is appropriate for the project. The County will rely on an experienced evaluator to develop a detailed evaluation plan, including appropriate mechanisms for randomization (if applicable), referrals, reporting, and measuring outcomes. The goal of the evaluation is to accurately assess whether the government outcomes payors have realized value through the presence of positive outcomes, and to build evidence about which outcomes high-quality preschool can impact in a rural setting.

**Service providers:** The County expects to rely on the existing network of preschool and childcare providers, both in school and home-based settings. As part of the goal to both increase the number of preschool slots and improve the quality of existing slots, the service providers will be expected to participate in necessary professional development and training to deliver evidence-based services. Once providers have been chosen, their role will include recruiting and enrolling preschool students, and delivering the high-quality preschool program, consistent with the program design specifications in the

PFS agreement. Providers will be responsible for tracking appropriate metrics and outcomes and reporting data to support performance management.

**Key community stakeholders:** Local leaders from the early learning community as well as the special education community will be engaged stakeholders throughout all phases of the project. During transaction structuring, the County will solicit feedback from community groups, including Social Service agencies including: Lower Columbia Hispanic Council, NW Parenting, Clatsop Community Action, Department of Human Services and the NW Oregon Housing Authority. Additional feedback will be solicited from families, school administrators, and other local education stakeholders to ensure the preschool program design, outcome measures, and payment mechanism includes safeguards to ensure students will receive all the supports they deserve.

**Intermediary:** Once the project moves past the feasibility phase, the County expects the intermediary to serve as the project manager for transaction structuring, leading economic analysis, and assisting with program design and operational planning. The intermediary will be responsible for raising capital for the project. The County expects the intermediary to stay involved in the project post-launch, supporting performance management and leading investor relations.

**Funders:** The role of the funders is to provide upfront capital to scale and implement high-quality preschool services. The financial structure of the project will be determined during transaction structuring. Funders will provide capital in the amounts at the times defined in the financing documents. Repayment will be determined by the terms laid out in the PFS agreement and financial documents.

#### **(d) Quality of the Work Plan**

##### **1. Adequacy of the Work Plan**

Clatsop County and its partners are well-positioned to effectively utilize the Department of Education's grant to explore PFS preschool opportunities through a feasibility study that is detailed, comprehensive, on time and within budget.

The County intends to contract a Pay for Success intermediary to conduct the feasibility study through a competitive procurement process. The County will seek a partner with experience in both conducting PFS feasibility studies and structuring PFS transactions, including developing PFS agreements, structuring financial agreements, raising capital and supporting ongoing performance management. The County would expect that the contractor has previously completed at least 10 PFS feasibility studies, with experience in early childhood development and education and PFS-funded service provision in rural communities.

The partner roles would be clearly defined in the procurement process. The County expects the contractor to conduct all phases of the feasibility study and prepare a final written report of the findings. The County's primary role will be to manage the federal grant, facilitate access to data, make connections with relevant stakeholder groups, and offer feedback in an ongoing manner through weekly or bi-weekly working group sessions with the contractor team. In addition, the County will work closely with the contractor to assess funding flows and evaluate readiness to serve as an outcomes payor for a preschool program.

If the study finds PFS is viable, the contractor and the County would work to formalize a Preschool PFS Partnership and develop a PFS project to improve early learning outcomes, help identify project partners, develop the PFS agreement, establish a plan for rigorous evaluation, and implement services. If PFS is not

feasible, the contractor would support the County to develop steps to explore alternatives and/or capacity-building actions to support high-quality preschool.

### **Feasibility study methodology**

The county will confirm the feasibility study methodology proposed below with the selected contractor who will conduct the study. During the study, the contractor will perform intensive research and analysis to understand the suitability of using PFS financing to support the expansion of Northwest Oregon Kinder Ready Collaborative model. Below is an overview of each phase of the feasibility process.

**Identify target populations and geographies.** In order to design and launch a successful PFS project, it is important to understand the beneficiaries of the program. We expect the feasibility study to answer questions such as: What do we know about the needs and defining characteristics of various segments of the target population? How well will the impact of a program translate to the target population? This analysis includes understanding demographic characteristics (age, race, gender), local context (including community resources), and individual risk factors (e.g., IEP status), and matching the resulting segments against existing programmatic evidence and other high-quality preschool literature.

Based on the geographic scan and review, the contractor will help the County determine which geographic focus would best suit PFS-funded expansion of high-quality preschool—whether the focus would be Clatsop County, Tillamook and possibly Columbia County.

**Preschool program design and evidence review.** The County and its partners will look to understand and thoroughly analyze the evidence base for NW Oregon Kinder Ready Collaborative, and determine how the evidence can be applied to future project designs utilizing PFS. Key questions include: what does the existing evidence tell us about the outcomes, effect sizes, and confidence we have for modeling a PFS transaction? What are the strengths of the evaluative approaches utilized to date, and what are their weaknesses (in terms of evaluation design, comparison group construction, statistically significant findings, power calculations, etc.)? How can we translate the existing evidence into new geographies, scales, and populations served? Where is there uncertainty that must be mitigated via the PFS structure?

**Service provision landscape and data availability.** As part of the study, the contractor will assess local programs' capacity (within local school districts or other providers) for engaging in a PFS project. Key organizational capacity elements include: leadership capacity and alignment; growth strategy and planning; community support; financial management; data and performance management; program and operations; human capital and culture; and market context and competition. The goal of this element is to understand the program's capacity to expand via PFS, and the potential challenges or risk factors. This helps identify any potential risks to the local program or to the PFS project itself in participating in a project, and is an important way to mitigate financial or reputational risk going forward.

Central to this work is understanding and accessing relevant data systems—assessing our ability to integrate programmatic and school district data, and to coordinate assessments and referrals. The contractor will assess the availability of administrative and programmatic data to use throughout a PFS project in understanding baseline outcomes, estimating effect sizes, measuring outcomes and project monitoring.

**Define metrics and analyze economics.** Using the intervention's evidence base as the foundation, the County and the project partners will work to determine which outcomes are most important to defining the project's success. Priority outcomes include:

- Improved social emotional skills
- Vocabulary development

- Improved school attendance
- On-grade level reading by third grade
- Increased high school graduation
- Decreased student behavior discipline referrals
- Decreased involvement with law enforcement
- Reduction in special education utilization

The County will consider additional outcome measures if the study indicates high-potential options, particularly outcomes that are aligned against the program and its evidence, and meet the County's policy priorities; that can be regularly assessed based on reliable and accessible data sources; that can be observed and measured within the project timeframe; and that clearly signify fiscal and community value.

Another core piece of this work is to estimate the expected unit-level value of prioritized outcomes. The contractor will define the expected cost of scale-up for the intervention in local program sites and aggregate these analyses into a high-level financial model to summarize the expected return on investment for the intervention.

***Develop preliminary evaluation design.*** If the project partners find that a PFS project is feasible, the second phase of the study will include the development of a preliminary plan for rigorous evaluation of the preschool program, with a goal of choosing a design that maximizes the provision of services while still advancing the field's knowledge of effective practices in early childhood education.

***Identify public and payor support.*** The project partners will work together to determine interest in pursuing a PFS project. We will answer the following questions: Is the potential benefit of the project—including the estimated fiscal versus community value created, the split of that value between different partners (State, County, City, private), and the process of building a Pay for Success initiative—appealing? Are there alternative contracting mechanisms that might make more sense? Answering these questions will be critical in identifying potential outcome payors for a PFS project, including the County and other relevant jurisdictions.

***Final deliverable and next steps.*** In the process of answering the above questions, the County expects the contractor to conduct interviews with local and national early childhood education experts, policy advisors, community leaders, and service providers. The work will be summarized in a final report.

### **Project hypothesis**

In preparation for this proposal, the County has developed project hypotheses on the target population, intervention, operations and project economics to be confirmed in the feasibility study.

*Table 4* Project hypothesis

<b>Feasibility categories</b>	<b>Project hypothesis</b>
<b>Target population and project size</b>	As described in Section (b), we expect the PFS project to serve approximately 600 children per year in Clatsop and Tillamook County through a combination of new slots and quality improvement. Children considered at-risk or underserved will be targeted for enrollment.
<b>Preschool program design</b>	The NW Oregon Kinder Ready Collaborative will be full-day, with high-quality staff and a child-adult ratio of no more than 10:1. It will have inclusive classroom environments and bilingual staff when appropriate. Transportation will be provided since at risk families are a

	<p>focus of this project in our rural setting. The curriculum to be used in the preschools will be based on nine features found to be effective in research.</p> <p>Providers will be expected to implement evidence-based curricula addressing general education, social-emotional learning, literacy, and mathematics. (Curriculum options detailed in Section (b).) Ongoing high-quality Professional Development will be provided.</p> <p>Families will be involved and supported by utilizing family liaisons and coaches. Engagement of parents and involved caregivers is an important component of the vision.</p>
<b>Service provision landscape and data availability</b>	<p>As described in Section (b), Clatsop and Tillamook school districts are interested in expanding school-based preschool opportunities. Child care centers in the region may offer opportunities to expand the number of high-quality preschool slots and improve the quality of existing services.</p> <p>Data on student outcomes are available through school district records, County records, the Northwest Regional ESD, and the Oregon Department of Education.</p>
<b>Outcome metrics</b>	<p>We expect to measure and tie some or all of the following outcomes to payments:</p> <ul style="list-style-type: none"> <li>• Improved social emotional skills</li> <li>• Vocabulary development</li> <li>• Improved school attendance</li> <li>• Reduction in special education utilization</li> <li>• On-grade level reading by third grade</li> <li>• Increased high school graduation</li> <li>• Decreased student behavior discipline referrals</li> <li>• Decreased involvement with law enforcement</li> </ul>
<b>Project economics</b>	<p><i>Cost-benefit analysis:</i> The project will target individuals with the highest-cost utilization of crisis and emergency services.</p> <ul style="list-style-type: none"> <li>• <b>Costs:</b> The estimated cost of preschool is approximately ██████ per student per year based on the State of Oregon Preschool Promise Grant. Astoria School has received \$█████ per child for 15 slots for the pilot preschool program for the 2016-2017 school year.</li> <li>• <b>Benefits:</b> A preliminary estimate of the value generated per student indicates benefits that exceed program costs, driven by the value of short- and long-term academic and career outcomes. This is supported by evaluations of other high-quality preschool programs with similar characteristics to the proposed program. The feasibility study would refine this work to arrive at a detailed estimate.</li> <li>• <b>Return on investment:</b> With the selected intermediary contractor, the County will further refine the cost-benefit assumptions and estimated return during the feasibility stage. In addition, we will identify other local and state jurisdictions where value accrues.</li> </ul>
<b>Preliminary evaluation design</b>	<p>Depending on the outcome of the first phase of the feasibility study, the County will consider evaluation options, including randomization, if appropriate, and other quasi-experimental designs.</p>
<b>Payor support</b>	<p>Depending on the selected outcomes and initial economic analysis, potential payors could include: Clatsop County, Tillamook County, Columbia County, school districts of the three counties, Northwest Regional ESD, and/or the State of Oregon.</p>

**Detailed Work Plan**

In order to confirm the above project hypothesis, the feasibility study will take place over approximately twelve months as described in the work plan below.

*Phase 0: Contractor Selection (Month 1-2)*

We include a two month process to run a competitive procurement. The County has already been in discussions with a number of intermediaries for over a year and expects to generate immediate interest in performing the feasibility study. As detailed above, the County has already identified the main characteristics of the desired contractor. Two months would be sufficient to issue an RFP, allow time for responses, and select a contractor.

*Phase 1: Landscape Assessment (Months 3-11)*

After contractor selection, the timeline proposes a ten month study period. The first phase of the feasibility study would be a landscape assessment, in which the County would expect the contractor to assess the Pay for Success project design, including the target population, service provider capacity and referral pipeline, assess the proposed preschool intervention and evidence base, and analyze local and administrative data to product a preliminary feasibility memo, indicating whether PFS is an appropriate tool for Clatsop County to use to expand high-quality preschool. This timeline includes flexibility to allow for data access. The extended timeline for local data analysis takes into account the added complexities of working across two counties and the challenges associated with rural service delivery. At the end of the landscape phase, the contractor will work with the County to reach a key milestone and come to an interim decision about whether it is likely a PFS project is viable, and depending on the findings, re-scope the second phase of the study as needed.

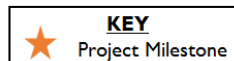
*Phase 2: Transaction Assessment (Months 7-12)*

In parallel, the second phase of the study would be a transaction assessment, during which the contractor would assess the target outcome measures as well as identify additional outcomes of interest. The contractor would estimate the economic value created by the NW Oregon Kinder Ready Collaborative, and perform a preliminary cost-benefit analysis to see if the program would produce a positive return on investment as designed. If the landscape assessment and economic analysis indicate PFS is viable, the contractor would lay the groundwork for a PFS transaction by calculating the estimated capital need, exploring potential evaluation designs and outlining an Evaluator RFP, and assessing the willingness of potential outcomes payors (Clatsop County and others) to participate in a PFS project.



## Illustrative PFS Feasibility Study Work Plan

Activity	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Proposed Key Deliverable(s)
Phase 0: Contractor Selection													
<b>Procurement</b> Procure a PFS intermediary to conduct Preschool PFS Feasibility Study													Contract w/ PFS intermediary
Phase I: Landscape Assessment													
<b>Intervention and Evidence</b> Scan national evidence supporting intervention Collect and review relevant field-level literature													Interim decision memo; initial feasibility assessment
<b>Preschool Program Design</b> <b>Target Population and Geographies</b> Segment and identify target population to understand and size needs Define inclusion and exclusion criteria, including geography													
<b>Service Provision Landscape</b> Conduct interviews with priority service providers and field experts Assess capacity of local service providers and school districts to deliver intervention Explore referral and recruitment process for program Stakeholder outreach, establish safeguards for inclusion Define service delivery budget and assess cost per student of intervention													
<b>Local Data Analysis</b> Review current administrative data systems Engage with relevant government entities to request administrative data Review and evaluate local administrative and programmatic data													
Phase II: Transaction Assessment (if viable)													
<b>Define Metrics and Analyze Economics</b> Identify potential outcome payment metrics and supplementary outcomes Assess social and economic value created by intervention Conduct preliminary cost-benefit analysis of return on investment Assess support for outcomes payments across public agencies Calculate estimated capital need													Final report
<b>Preliminary Evaluation Design</b> Explore evaluation options (RCT, quasi-experimental, etc.) Outline of potential RFP to select Evaluator for project													
<b>Payor Readiness</b> Assess policy environment for PFS project and identify any needed legislation Assess payor commitment to participate in PFS project Assess internal processes and data accessibility													



*Post-Feasibility Study Considerations*

If the feasibility study finds PFS is viable, the County intends to move efficiently into the transaction structuring process. Recognizing that the NW Oregon Kinder Ready Collaborative would be a new program for the region, we anticipate including an operational pilot before PFS services would launch. A pilot period would provide a buffer period to test PFS operations planning and provider capacity to inform the PFS contracting process. A pilot period is particularly beneficial when there are providers who are less experienced with the intervention and responsibilities for data collection, as is the case for many child care centers and family preschool centers in Northwest Oregon.

**2. Ensuring Stakeholder Feedback**

The Northwest Oregon Kinder Ready Collaborative will ensure stakeholder feedback by engaging parents, schools, providers, potential funders, and social service agencies throughout the feasibility study. The County will work with the contractor to set up site visits with potential service providers (including schools and child care centers). It will facilitate the collection of feedback via surveys and verbal interviews. The project partners will also engage social service agencies through digital communication and interviews to understand child involvement with social services programs and identify additional feedback or precautions that may be required.

The timing of the study period allows for ample outreach and coordination with the early childhood stakeholder community. As evidenced by the attached letters of support, Northwest Oregon includes an engaged set of stakeholders committed to improving early childhood wellness.

During the study period, a key component of the project design phase involves collaborating with the early childhood stakeholder community, including: NW Regional ESD, NW Early Learning Hub, eight School Districts, Clatsop Community College and Child Care Resource and Referral.

Licensed and non-licensed and exempt preschools that are currently developed in Clatsop and Tillamook Counties will also be a major part of the collaboration.

**3. Commitment of Project Director and other key personnel**

**Dan Gaffney, Project Director**, will commit [REDACTED] to the project to be the local liaison between all organizations, schools, community groups (formal and informal) and third party resources. He will use his experience as a school district administrator to further develop relationships and a deeper understanding of needs as well as local and regional resources. Having worked closely with the five school districts, preschool providers, social service groups and medical providers of Clatsop County as well as NWRES, NW Early Learning Hub and Lower Columbia Hispanic Council, he will draw on those connections to gain input, data and new potential resources during the feasibility study.

His past experience as Special Education Director working with children as young as three years of age and their families, as elementary principal of a school with high poverty, Hispanic enrollment and significant family mobility as well as his recent work with early childhood providers allows him to have insights that will be drawn upon to engage at-risk families and their networks. Over the last three years, Dan has developed deeper relationships with staff within NWRES and assisted in the formation of NW Early Learning Hub, both of which include leaders in Tillamook County. As a result he has associates that can assist him in making significant progress in that area.

Dan will also have the support of a [REDACTED] Data Collection Assistant, to be hired at the beginning of the grant term. The position will include data gathering and reporting.

**Sydney Van Dusen, Project Coordinator**, will commit [REDACTED] for the 52 week span. Sydney will utilize her connections and strengths as the local Community Coordinator for Way to Wellville to align all needed parties in support of the project. She will handle the education and promotion of the project to community stake holders and potential investors.

**Tara Mestrich, Preschool Quality and Education Liasion**, will commit [REDACTED] for the 52 week span to help access the current strengths/weaknesses and qualifications of each existing preschool. Additionally, Tara will help to understand the unmet needs of each per school in order to get them to a quality rating to participate in the NW Oregon Kinder Ready Collaboration.

**Intermediary.** The County would expect the selected intermediary contractor team to include oversight from an experienced senior manager as well as two to three additional staff members with experience conducting PFS feasibility studies. The project team should include employees of different experience levels, with one focusing on analytical support, one leading project management, and one managing client relationships. The contractor should offer teams with diverse backgrounds that span the public, private, and nonprofit sectors, and have examples of PFS feasibility studies and PFS projects in diverse geographies and experience working with rural counties.

#### **(e) Quality of the Project Leadership and Team**

##### **1. Experience managing and overseeing similar projects**

Clatsop and Tillamook counties have assembled a collaborative project team to facilitate partnerships and coordination with relevant early childhood stakeholders and support a successful feasibility study. The team has extensive experience in education, child care, and community health partnerships, and is well-positioned to partner with a contractor to begin the process of building a Preschool PFS Partnership.

##### **Dan Gaffney - Project Director**

For the past three years Dan has been the coordinator for Clatsop Kinder Ready, a countywide consortium that works with parents, preschools, child-care providers, elementary schools and other child-centered groups to prepare children for the new challenges of kindergarten and to be fluent readers by the end of third grade.

In this role, he has organized the Early Childhood Health and Education Clinics for the past three years. These screening clinics have been offered to all 2-5-year-old children in the region with the help of Providence Seaside Hospital, Columbia Memorial Hospital, Clatsop Community College, Head Start and NW Regional Educational Service District. Screenings have led to 5% of the 371 children seen to be evaluated for special education services, 15% referred for dental care, 12% for developmental follow up support, 10% for vision exams, 5% for behavior evaluation and 4% for further medical exams. In addition, he is working with school staff, community dental professionals throughout the county and Oregon Community Foundation on development of an integrated plan to improve dental care for youth.

As an administrator in Astoria and Seaside school districts, Dan served as the assistant principal of Astoria Middle School (6 years), principal of Seaside Heights Elementary (13 years) and Special Services Director for Seaside School District (4 years). As Special Services Director Dan oversaw Special Education (ages 3-21), all federal programs (including Title I and ELD) and curriculum K-12. His work now and as a school administrator in Clatsop County has allowed him to see the impact of healthy environments on individuals and our community and has given him a strong foundation of local relationships upon which he can build support for a PFS project. He sees improving preschool access and quality as a way to help our community prosper, in terms of physical, emotional and financial well-being.

He is excited to see a high level of interest in forming new relationships that are working together across our county.

**Tara Mestrich – Preschool Quality and Education Liaison**

Since 2008, Tara Mestrich has served as the Program Coordinator and Quality Rating & Improvement Specialist with Family Care Connect Resource & Referral. In this capacity, she works with the wide range of providers in Clatsop and Tillamook counties, providing training and technical assistance to providers in child care centers, family care centers, and other preschool settings.

A critical component of her role involves improving data collection and reporting, which is an important step to implementing system-wide improvements in Northwest Oregon's early childhood system. Tara trains providers on how to improve record-keeping, and she maintains, updates, and manages activities for multiple data systems. She also assists with documentation, research, and report writing to disseminate findings from her work and promote information sharing.

Tara also develops, plans, and conducts professional development opportunities for child care providers. As part of her work with Child Care Resource & Referral, Tara serves as a Community Trainer for Portland State University Oregon Center for Career Development (OCCD). She manages the professional development database for OCCD and works with providers individually on their professional development goals. On a monthly basis, Tara works with up to 230 early childhood educators. Since Oregon has begun implementing its QRIS system, Tara is assisting 28 providers with quality improvements as the first step to achieving a quality rating. In doing so, she provides professional development, staff support, community resources, site visits, and Focus Network Meetings.

Finally, Tara is experienced with the early childhood education policy environment, working with providers on education and advocacy efforts for relevant legislative issues.

Tara is deeply familiar with high-need families in Northwest Oregon. She facilitates DHS subsidy training for exempt providers. Prior to her current role, she worked for ten years at Clatsop County Public Health & Human Services, providing home visitation and family support services to high-risk families, prenatal through preschool, on a weekly basis. She is a trusted member of the early childhood stakeholder community, and helps families, providers and community partners understand and access community resources.

**Sydney Van Dusen – Project Coordinator**

As the Community Health Partnership Coordinator for Care Oregon, Sydney brings experience managing and coordinating cross-sector partnerships to the feasibility study project team. She serves as the Community liaison and representative for Way to Wellville Clatsop County, a national challenge among five communities (including Clatsop County) over five years to make significant, visible and lasting improvement in five measures of health and economic vitality.

As Executive Director of the Providence Seaside Hospital Foundation, Sydney also understands both the need and the challenges associated with increasing resources available to improve health and education. She successfully fundraised and stewarded donors of Providence Seaside Hospital, while reporting to the organization's 18 member Board of Directors. She aimed to improve services for poor and vulnerable members of Clatsop County by writing and managing multiple grants.

Sydney also has experience as a community liaison, and understands the importance of engaging local stakeholders to better understand needs and to get input on health and education projects.

## 2. Experience managing Federal grants

Clatsop County is prepared to manage the feasibility study grant and ensure compliance among all partners. The County's leadership is excited about the grant opportunity and eager to provide necessary oversight. Additionally, Project Director Dan Gaffney had four years of experience overseeing all federal grants provided to the Seaside School District while serving as Director of Special Services. This included Title I and homeless students programs at the time that "No Child Left Behind" was introduced. His responsibilities included development and direction of the Title III program serving Limited English Proficient students.

County Manager Cameron Moore brings a history of intergovernmental collaboration to Clatsop. He has more than 30 years of leadership experience, including experience overseeing local early childhood educational programs. He became County Manager in April 2016, and he is responsible for [REDACTED] annual budget and leading a staff of 250.

From 2007-2016, he served as CEO of the Champaign County Regional Planning Commission (CCRPC). CCRPC is a membership organization comprised of local governments, which administers a variety of early childhood, anti-poverty, planning, economic development, workforce development, and energy efficiency programs on behalf of local, state, and federal government. During his tenure, CCRPC experienced significant growth due to its reputation for excellence in program and financial management. The largest programs administered by CCRPC are Head Start and Early Head Start, providing early childhood services to 584 children and their families.

Moore has also served as the CEO of the National Association of Regional Councils, where he advocated on behalf of regional intergovernmental organizations in areas such as early childhood education, infrastructure planning and construction, economic development, and the environment. His earlier career includes diverse experiences serving in regional planning and development organizations throughout the country.

### (f) Adequacy of Resources

Clatsop County intends to procure an experienced PFS intermediary, with demonstrated experience conducting a feasibility study of this scope within the proposed budget. The County expects the contractor to dedicate a team of two to three people, with approximately one-third of their total time allocated for work on this project. Based on early conversation and research with leading organizations in the PFS field, we believe a ten-month study period at the proposed budget will be sufficient to produce a detailed report and come to a decision on whether PFS is a viable approach.

In addition to the intermediary, Clatsop and its partners will dedicate significant staff resources to work closely with the intermediary. As described above, Clatsop will dedicate a [REDACTED] **Project Director**, Dan Gaffney, and a [REDACTED] **Project Coordinator, Preschool Quality and Education Liasion, and Data Collection Analyst**. The team at Clatsop will facilitate data access, community outreach, and management of the federal grant. In addition to these staff members, the following local health and education stakeholders have committed to support the project:

- NW Early Learning Hub will be a valuable partner in this feasibility study due to their recent working relationships with school districts and implementation of "Preschool Promise" supported preschools.
- Care Oregon's Coordinated Care Organization is invested in the success of this project and is contributing the time of its employee, Sydney Van Dusen, to provide project coordination and oversight.

- NWRESD facilitates the NW Regional Achievement Collaborative (RAC) which is made up of professionals and community members across the four counties of NWRESD in addressing the “cradle to career” alignment efforts of Oregon. Dan Gaffney is a part of this 70 member group which allows for further networking with leaders within and beyond the counties that are invested in improving early childhood opportunities for all children.

Taken together, a dedicated team by the contractor and the experienced team at Clatsop County and its partners provide enough resources to complete the project as proposed.

## Competitive Preference Priority

Clatsop and Tillamook counties are committed to including a focus on social emotional outcomes in this feasibility study, and to include them as a priority for any subsequent PFS project, depending on the findings in the feasibility study. Clatsop and Tillamook counties have demonstrated commitment to promoting social emotional learning through its existing evidence-based programs and would expect the feasibility study to build off this commitment.

### *Existing social emotional learning (SEL) initiatives in Clatsop and Tillamook counties*

SEL is a priority for our preschool programs, and we have generated significant resources for programs to strengthen SEL.

For example, Clatsop County has established a social emotional learning collaboration, led by Dr. David Labby, the retired Medical Director of the Health Share of Oregon CCO, and Liz Covey, a local trauma counselor. The Head Start programs in both Clatsop and Tillamook counties have implemented the Incredible Years Classroom Dinosaur curriculum, a social emotional learning curriculum recommended by the National Center on Quality Teaching and Learning. Through grants from the Way to Wellville, the collaborative has supplied all willing daycares, preschools, kindergartens and early learning centers with “Pocket Full of Feelings,” a classroom kit aiming to make the teaching and development of emotional literacy a fundamental part of raising children. Pocketful of Feelings has three goals: (i) raising the EQ for academic and life success, (ii) helping children identify and deal with their feelings, and (iii) improving children’s relationships with others.

In addition to our preschool programming, community leaders have recognized the need for Trauma Informed Care in our schools, clinics, daycares and social services. Through the work of our social emotional learning collaboration we have started educating our community on Trauma Informed Care and the need for increased social emotional skills in our children.

### *Embedding SEL in the Northwest Oregon Kinder Ready Preschool Collaborative*

Acknowledging the importance of the social emotional skills for our children we will include an evidence-based, social emotional curriculum in the Northwest Oregon Kinder Ready Preschool Collaborative. Based on the National Center on Quality Teaching and Learning Social Emotional Preschool Curriculum Consumer Report, the social emotional curricula we will consider, as described above in **Section (b)**, are the following: Incredible Years Classroom Dinosaur Curriculum, Path’s Preschool/Kindergarten Classroom Module, and Al’s Pals: Kids Making Healthy Choices. The consumer report scores each curriculum on important factors including having a strong evidence base, having positive effects on child outcomes, addressing all social emotional domain elements, including specific learning goals for Approaches to Learning, and many others. These three options score highly across all indicators.

*SEL outcomes and evaluation*

The feasibility study will include social emotional outcome measures, such as self-control, openness, engagement with others, the ability to plan, and resilience. Based on the feasibility study findings, the counties will consider including SEL outcome measures in a PFS project.

Clatsop and Tillamook counties have experience assessing SEL outcomes. For example, both counties currently use the Ages and Stages Questionnaires (ASQ) screening tool to help assess child development and kindergarten readiness. It is administered by different providers, clinics, and educators for children ages 2 months to 6 years. Brooks Publishing also offers the ASQ Social Emotional (ASQ SE) screening tool, which measures child's social emotional development. New questions are offered every 6 months. If concerns arise after completing and scoring the ASQ SE an evaluation by a specialist would be encouraged. We will likely use the ASQ SE tool to monitor the developmental outcomes resulting from a social emotional curriculum in the preschools.

Other measurement tools recommended by specialists may be used to obtain more in depth information on students with less developed social and emotional attributes. That will help determine needed interventions before a child enters kindergarten resulting in avoiding or reducing costs once they enter K-12 school systems.



## Preschool PFS Feasibility Pilot Proposal – October 2016

**Clatsop County Budget Narrative**

The full budget breakdown for Clatsop County's requested funds under the Federal grant are in the attached template. A budget narrative follows.

**1. Personnel:**

**Dan Gaffney, Project Director** – Lead project management and serve as local liaison between all organizations, schools, community groups (formal and informal) and contractors. Job functions:

- Further develop relationships and a deeper understanding of needs as well as local and regional resources.
- Work closely with the eight school districts, preschool providers, social service groups, Department of Human Services and medical providers of Clatsop and Tillamook counties as well as Child Care Resource and Referral, Northwest Regional Educational Service District, NW Early Learning Hub and Lower Columbia Hispanic Council.
- Work with partners to gain input, data and new potential resources during the feasibility study.
- Engage at-risk families and their networks.
- Coordinate with the contractor to facilitate feasibility study activities.

**Data Collection Assistant** – [REDACTED] position to help with the data input and collection between the two counties. Job functions:

- Data entry and collection of existing preschools and day care capabilities
- Record keeping/ transcription of process
- Communications between all preschools and school districts

Table 1 Personnel information

Position	Salary (including taxes)	Amount of time	Importance to success of project
Project Director	[REDACTED]	[REDACTED], one year	A dedicated project director is needed to ensure the project stays on track, and particularly to manage the complexities of a multi-jurisdiction project in a rural region. Dan Gaffney's experience, relationships, and history of collaboration will facilitate stakeholder support and input throughout study process and lead to an effective partnership with the contractor.
Data Collection Assistant	[REDACTED]	[REDACTED], one year	The counties will be working with local providers and school districts to study a new, evidence-based preschool design. The work of the data collection assistant will improve our understanding of current practices and outcomes among providers. This will inform the program design recommended for a high-quality preschool PFS project.
<b>Totals</b>	[REDACTED]	[REDACTED]	



**Total cost:** Based on the proposed work plan, which is 12 months long (including procurement and the feasibility study period), the cost to cover both positions including taxes is [REDACTED].

## 2. Fringe Benefits:

Fringe benefits are only available for the [REDACTED] Project Director. Fringe benefits are determined at [REDACTED] of the [REDACTED] base salary, or [REDACTED].

The part-time Data Collection Assistant will not receive fringe benefits, [REDACTED] of the \$[REDACTED] base salary.

## 3. Travel:

During the proposed project, the Project Director and the Data Collection Assistant will require a total of [REDACTED] for significant travel between and within Clatsop and Tillamook counties as well as some travel to the Portland and Salem areas to pursue and establish needed professional development resources.

The Preschool PFS Feasibility pilot affords Clatsop and Tillamook counties an important opportunity to explore ways to overcome the barriers to expanding high-quality preschool, one of which is the region's rural education system. Effective partnership between the two counties and other regional organizations will be an essential part of the feasibility study. This will require travel between the two counties of an average distance of 70 miles.

In addition, the project will require some data collection, interviews, and site visits with local providers. Interfacing directly with providers relates to project success because the proposed program design will introduce new elements, including evidence-based curricula and full-day programming. During the feasibility study, the counties will need to determine whether the existing provider network has the capacity to adapt and collect data on current outcomes. Thus, the Project Director and the Data Collection Assistant will drive throughout the rural counties to different schools and provider sites.

We expect the Project Director to take weekly trips between counties, and the Data Collection Assistant to make bi-weekly trips. To build additional partnerships with universities, travel to Hillsboro, Portland and Salem is anticipated as well (distances range from 85 to 135 miles each direction).

Itemized estimate of transportation and/or subsistence costs per trip [REDACTED]

- 2016 Standard Mileage Rate: \$0.54<sup>1</sup>
- Average inter-county trip: 70 miles one-way, 140 miles round trip<sup>2</sup>  
 The distance between the county centers in Astoria, OR and Tillamook, OR is 64.3 miles. Accounting both for short travel within each city and because travel to outlying areas is often less direct and longer, 70 miles per trip is a conservative estimate of the regional ground transportation that will be necessary during the project.

<sup>1</sup> "2016 Standard Mileage Rates for Business, Medical and Moving Announced," IRS, Dec. 17, 2015, <https://www.irs.gov/uac/newsroom/2016-standard-mileage-rates-for-business-medical-and-moving-announced>

<sup>2</sup> Google Maps, Astoria, OR to Tillamook, OR: <https://goo.gl/maps/XcPSgdwHq3z>

Table 2 Estimated travel requirements

Position	Number of trips	Point of origin	Destination	Purpose of travel
Project Director	46	Astoria, OR (Clatsop County)	Tillamook, OR (Tillamook County)	Coordinating between county governments and regional organizations; provider site visits; data collection
Data Collection Assistant	20	Astoria, OR (Clatsop County)	Tillamook, OR (Tillamook County)	Provider site visits; data collection

At █████ per trip, 46 trips for the Project Director and 20 trips for the Data Collection Assistant costs █████. Based on this estimate, our requested travel budget is █████.

4. **Equipment:** N/A (in-kind contribution by the Northwest Regional Education Service District)

5. **Supplies:** N/A (in-kind contribution by the Northwest Regional Education Service District)

6. **Contractual:**

**Purpose and relation to project success.** Clatsop County has been exploring PFS approaches for over a year. In all instances of research and exploration, the County has sought the input of PFS intermediaries, as the County itself does not possess in-house expertise on this subject. Our experience to date suggests that the Preschool PFS Pilot Feasibility Study available in this grant would be best performed by a PFS intermediary, contracted with the County.

A contractor would bring the following skillsets and experience to the feasibility process: Defining a target population, assessing provider capacity, analyzing economics (including cost-benefit analysis), exploring evaluation design (specifically as it relates to PFS), and assessing payor readiness.

Finally, and perhaps most importantly, should the feasibility study find that PFS is a viable approach, Clatsop and Tillamook Counties want to be in the best position to efficiently move into the PFS transaction structuring process, so we seek a contractor with both feasibility and transaction structuring experience (including raising capital). The best outcome of this grant opportunity is not simply finishing a feasibility report, but putting in motion the partnerships and analysis that will result in a launched PFS project to deliver high-quality preschool services for children in need. Clatsop and Tillamook Counties believe that procuring an experienced PFS intermediary is a necessary first step toward that outcome.

**Professional services to be provided.** The selected contractor is expected to conduct the PFS feasibility study from start to finish, assessing the viability of using PFS to expand access to high-quality preschool in Clatsop and Tillamook Counties and producing a professional report on the outcome of the study. If PFS is viable, the report will include recommendations for appropriate PFS Partnership stakeholders and next steps to begin project development. If PFS is not viable, the report will include a discussion of alternative options and/or steps the County could take to make PFS work in the future. During the study, the contractor will lead analysis across the different phases described in the work plan. Clatsop County and its partners will facilitate data access and community outreach to support feasibility study activities.

**Justification for contractor selected and statement on procurement procedure.** Clatsop County is experienced at administering a procurement process utilizing federal, state or local funding. Clatsop County follows Oregon Revised Statutes 279A, B, C, Oregon Administrative Rules 137-046, 047, 048 & 049 as well as Clatsop County Code 1.04.060 for all public contracting. The basic parameters of our

contracting process include informal procurement (3 informal quotes) for contracts under [REDACTED]; intermediate procurement (at least three written quotes) for contracts between [REDACTED] and [REDACTED] and formal procurement (formal advertising and bid solicitation) for contracts over \$ [REDACTED]. The County Manager may authorize contracts up to [REDACTED] with the Board of Clatsop County Commissioners approving contracts in excess of this amount. Because the County expects the budget for the feasibility study contractor to exceed [REDACTED], we will run a competitive procurement, consistent with the state and local guidelines outlined above, as well as procurement procedures under 2 CFR 200.317-200.326.

**Cost per contractor.** At the proposed scope, the County expects the contractor to cost [REDACTED]. Only one entity would be procured, so this is both the total contractor cost and the cost per contractor. This cost includes all the professional services to be provided, plus travel and administrative costs (up to [REDACTED] % of the total contractor budget).

**Amount of time working with the contractor.** The County expects to work with the contractor for ten months (following a two month procurement period). This timeline leaves sufficient room for a detailed study of the proposed Northwest Oregon Kinder Ready program, including time to access administrative and programmatic data and for data collection, if needed.

**Amount of time to be devoted to this project.** The County expects the contractor to allocate senior team oversight of approximately [REDACTED] of the individual's time plus a team of three team members of varying experience devoting [REDACTED] of their time each. The core team should include a manager to lead client relations, an individual leading project management, and an individual focused on analysis. It is expected that all the contractor's costs will fit within the proposed [REDACTED] budget, which will be charged under this grant award. The contractor may incur up to [REDACTED] in administrative costs.

**Basis for cost estimates or computations.** The cost estimates for this line item were developed based on the County's exploratory conversations about PFS prior to this grant opportunity, which we considered in the context of the total available grant award and the desired scope of a feasibility study in Clatsop and Tillamook counties.

**7. Construction:** N/A

**8. Other:** N/A

**9. Total Direct Costs:** The combined costs of personnel, travel, and the contractor total [REDACTED].

**10. Indirect Costs:** \$0 (in-kind contribution by the Office of Clatsop County Manager)

**11. Training Stipends:** N/A

**12. Total Costs:** The total project budget for the grant is [REDACTED]. Given the proposed project length of one year, this is also the annual cost.